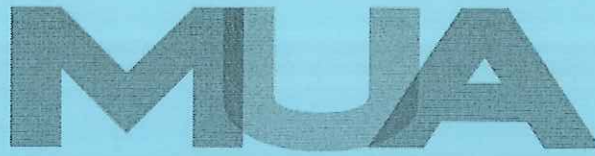


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**UNDERGRADUATE UNIVERSITY EXAMINATIONS**  
**SCHOOL OF MANAGEMENT AND LEADERSHIP**  
**DEGREE OF BACHELOR OF MANAGEMENT AND LEADERSHIP**

**BCM 115: INTRODUCTION TO BUSINESS**

**DATE: 5<sup>TH</sup> APRIL 2018**

**DURATION: 2 HOURS**

**MAXIMUM MARKS: 70**

**INSTRUCTIONS:**

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.
7. Write all your answers in the Examination answer booklet provided.

**QUESTION ONE**

**Read the Case Study below carefully and answer the questions that follow:**

**PARTNERSHIP; CONCEPT GRAPHICS**

Mike and Sue were laid off due to redundancy from a printing firm know as Lyne Printers in Kenya. They decided to set up their own business and called Concept Graphics. They knew there was demand for quality work but the main problem was finding premises because rents and rates in Nairobi were too high. They were fortunate to find a unit at the local Enterprise Agency and were offered a start up fund by the youth enterprise fund which they did not find too adequate.

Mike and Sue feel that a partnership is the best form of business venture for them. Mike's skill is in producing detailed technical illustrations such as engineering drawings while Sue concentrates on books illustrations and cartoons.

They are able to share out the work and discuss the best ways of doing the job. Being a small business there are many little tasks that they must do themselves such as housekeeping, paperwork and the accounts. In the spirit of partnership, they choose to share these tasks.

**Required**

- a) Discuss the challenges that these partners have through this form of business. (10 marks)
- b) Discuss the contents of a partnership agreement deed. (5 marks)
- a) Discuss the events under which a partnership can be dissolved. (10 marks)

**QUESTION TWO**

- a) Identify and discuss five key business functions. (10 marks)
- b) Highlight five advantages of free trade. (5 marks)



### QUESTION THREE

- a) Discuss the role of stock exchange in business. (10 marks)
- b) Discuss five sources of capital for sole proprietorship business. (5 marks)

### QUESTION FOUR

Discuss how the following factors impact on businesses in the economy.

- i. Legal environment (3 marks)
- ii. Political environment (3 marks)
- iii. Economic environment (3 marks)
- iv. Social -cultural environment (3 marks)
- v. Technological environment (3 marks)

### QUESTION FIVE

- a) Discuss seven factors that entrepreneurs can use to motivating their workers. (7 marks)
- b) State and clearly discuss the four elements of the marketing mix (4 Ps) in business. (8 marks)

### QUESTION SIX

- a) Discuss five factors that can determine the requirements of business finance. (10 marks)
- b) Discuss five importance of social responsibility to the organization. ( 5 marks)

